

Article - Insurance

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§17–205.

(a) (1) In this section the following words have the meanings indicated.

(2) “Public employees association” means an association of federal, State, county, or municipal corporation employees.

(3) “Public employer” means a county, municipal corporation, association of counties or municipal corporations, State college or university, or unit of State, county, or municipal corporation government.

(b) (1) Subject to the requirements of this section, the lives of a group of individuals may be insured under a policy issued to a public employer or public employees association to cover employees of the public employer or members of the public employees association for the benefit of persons other than the public employer or public employees association.

(2) The public employer or public employees association to which the policy is issued is deemed the policyholder.

(c) (1) All employees of the public employer, all members of the public employees association, or all of any class or classes of employees or members determined by conditions pertaining to their employment or membership in the public employees association or both are eligible for insurance under a policy issued in accordance with this section.

(2) A policy issued to insure employees of a public employer may provide that the term “employee” includes:

- (i) a retired employee; and
- (ii) an elected or appointed official.

(d) (1) The premium for the policy shall be paid from funds contributed by the public employer or public employees association, or by both, or from funds contributed by the covered persons or from both the covered persons and the public employer or public employees association.

(2) Except as provided in paragraph (3) of this subsection, a policy on which no part of the premium is to be derived from funds contributed by the covered

persons specifically for the insurance must insure all eligible persons, except those who reject the coverage in writing.

(3) An insurer may exclude or limit the coverage on any person as to whom evidence of individual insurability is not satisfactory to the insurer.

(4) A public employer may require written authorization from an employee to deduct from the employee's salary the required contributions for the premium.

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